

# NEW SOLAR HOMES PARTNERSHIP

## HOME BUILDER'S CASE STUDY

### Shea Homes



### PROJECT

#### *Madeira at Del Sur – San Diego, CA*

Located seven miles from the beaches of Del Mar, Madeira at Del Sur captures the essence of San Diego's rich architectural heritage with a diverse mix of classic styles. Ranging from 1,785 to 2,269 square feet, Madeira's five stylish floor plans feature two-story and third floor master retreats. Select plans are enhanced by spacious courtyards or patios for outdoor living and entertaining. Homes start in the mid \$600,000s.

### MAKING THE DECISION

The vision for Madeira at Del Sur began with Black Mountain Ranch LLC, where a truly sustainable masterplanned community is being realized through a variety of features including mature tree-lined streets, 4,677 acres of open space and weather-based irrigation systems. Homes include tankless water heaters and all builders offer solar photovoltaic (PV) systems. *When completed, Del Sur will be one of the largest solar powered communities in California.*

Shea Homes has always maintained a deep commitment to doing its part to help preserve open spaces, conserve natural resources and integrate sustainability features into its homes and communities. Rather than sitting back and waiting to see what other builders do, Shea Homes is always looking for new eco-friendly methods and technologies to implement. In fact, the company built its first solar community nearly five years ago.

When Shea learned of Del Sur's requirement that all builders offer solar panels, it "wanted to push that as far as we could," says *Alex Plishner, community development manager for Shea Homes San Diego*. "We made a commitment to pre-plot all of the homes at Madeira that had a southern facing orientation [optimal positioning for solar panels]."

### CHALLENGE

Given an already skeptical and slowing market, Shea remained committed to introducing solar technologies to the marketplace. The biggest challenge the company faced was convincing home buyers of the value solar provided. "The upfront cost was a bit of a hurdle for us," says Mr. Plishner. "Most buyers would rather select granite countertops than solar panels. But once we could demonstrate the long-term savings, and could back that up with real numbers, buyers soon saw the value."

On the builder side, justifying the added construction cost was also a bit of a hurdle. "You definitely need to make sure that you can make up the expense in the end," notes Mr. Plishner. "Once both the buyer and the builder understand that this is a long-term investment and see the cost savings potential, it's a much easier sale."

# NEW SOLAR HOMES PARTNERSHIP

## HOME BUILDER'S CASE STUDY

### Shea Homes

#### SOLUTION

Shea Homes decided to offer solar on 27 of the 78 homes at Madeira as a \$14,000 option and has been very pleased with the results. The \$6,000 per home rebate from the California Energy Commission helped offset the cost of each system, a savings which Shea passed directly onto buyers. "We basically offer the panels at cost," comments Mr. Plishner. In addition, homebuyers are eligible for a \$2,000 federal tax credit.

Mr. Plishner definitely sees solar panels as a great marketing tool and key point of differentiation. *"We've had great response from offering solar. Not many builders are there yet, so you can really get great bang for your buck in terms of marketing power."*

Shea chose SunPower as their PV provider and have been extremely satisfied with the level of service the company provides. Not only does the company handle all the rebate paperwork for the builder, but representatives from SunPower help educate home buyers about the benefits and train them on how to use the systems and track their daily energy consumption and production online.

Shea found tremendous enthusiasm from buyers within the Madeira community. "Early adopters have really gravitated to the technology quickly," says Mr. Plishner. "They are eager to learn how the system works and how they can maximize its output to increase their savings on their electricity bills. Once buyers understand the value of solar, they want to push the technology and see how much they can save."

Madeira homeowner Janene R. was eager to purchase a new home with an eco-friendly component. *"I'm just happy to do something that is helping to contribute to a better quality of life for everyone,"* exclaims Janene. While she hasn't done extensive cost analysis, Janene estimates that in addition to the \$2,000 federal tax credit, she saves \$50 a month on her electricity bill.

#### PERFORMANCE RESULTS

"Madeira is definitely one of our most popular communities," says Mr. Plishner. While there are a number of factors to figure into what makes the community such a success, Mr. Plishner is certain that offering solar is a big piece of that. Shea has been so pleased with the success of Madeira at Del Sur that the company is looking to offer more solar communities in the near future.

#### SHEA HOMES SAN DIEGO

Shea Homes San Diego is a division of Shea Homes Limited Partnership, an independent member of the Shea family of companies, which celebrated its 125th anniversary in 2006. The company was honored in 2005 as one of "America's Best Builders" by the National Association of Home Builders and now as "2007 Builder of the Year" by *Professional Builder Magazine*.

#### specifications

CITY: San Diego, CA

# OF SOLAR HOMES: 27

SOLAR PROVIDER: SunPower™

UTILITY: San Diego Gas and Electric (SDG&E)

AVERAGE SYSTEM SIZE: 2.5 kW

ANNUAL ENERGY PRODUCTION: Estimated 3,750 kWh per home

MODULE TYPE: SunPower SunTiles®

INVERTER: Xantrex 2.5 GT Series